

GOVERNMENT OF ANDHRA PRADESH

ABSTRACT

ARBITRATION - Suits – Settlement of arbitration award for an amount of Rs.40,00,000/- - in respect of the work relating to the “construction of Right Head Regulator on Right flank of Somasila Dam” by Sri V.Subbaiah Choudary, Contractor under Agreement No.32/ SE/1979-80 of Superintendent Engineer, Somasila Project, Nellore, dated 28-03-1980 - Orders – Issued.

IRRIGATION & CAD (ARB) DEPARTMENT

G.O.(Ms.)No. 27

Dated the 20th February, 2009.

Read the following:-

1. From Sri V.Subbaiah Choudary, Contractor, Nellore, representation, dated 12-08-2007.
2. G.O.Rt.No.103, I & CAD (ARB) Dept., dt.24-01-2008.
3. Govt.Memo.No.24920/ARB/07, dated 24-03-2008.
4. From the ENC (Med.Irrgn.), Hyderabad, Lr.No.ENC/ Med/ DCEIII/OT1/2008-3, dated 24-07-2008.
5. From the ENC, TGP, Srikalahasti, Lr.No.ENC/TGP/ SKHT/TS/T1/6176, dated 08-08-2008.

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O R D E R:

Sri V.Subbaiah Choudary, Special Class Contractor, Nellore, in the letter first read above, has stated that pursuant to the Agreement No.32/SE/79-80, dated 28-03-1980, certain disputes arose between the Department and him. Sole Arbitrator was appointed and passed an award on 25-09-1992. The Dept. has questioned the award and filed O.P.No.11/93. He has also filed O.P.No.95/1992 in the Subordinate Judge Court, Nellore and the said court by its common judgement dated 07-02-1994 dismissed O.P. filed by the Dept. and the award was made rule of the court. Aggrieved by the said judgement, the Department preferred C.M.A.No.910 of 1994 against O.P.No.11/93 and C.R.P.No.2486/94 against O.P.No.95 of 1992 in the Judicature of the High Court of Andhra Pradesh and interim orders of stay was obtained on condition of deposit of 50% amount. The aforesaid appeals came up for hearing before the Hon'ble High Court on 18-06-2007, the Hon'ble Court disposed the said appeals directing the parties to amicably settle the issue by mutual negotiations. Hence, he requested to convene a joint meeting for the purpose of discussion of the various issues involved in respect of the claims awarded by the Arbitrator and confirmed by the Lower Court, to take action at the earliest and communicate the date of meeting.

2. The Hon'ble High Court in its common order dated 18.6.2007 has directed to settle the claims by initiating conciliation and settle the claims within a period of three months from the date of representation to the Principal Secretary to Government.

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3. Based on the directions of the Hon'ble High Court and as per the suggestions of the Learned Advocate General, Andhra Pradesh, Hyderabad, in the G.O. second read above, orders have been issued constituting three Regional Committees in the State for conciliation with the Contractors. Accordingly, in the Govt. Memo. third read above, the present case has been referred to the Committee for Rayalaseema Region for negotiation with the contractor for an amicable settlement.

4. The Engineer in Chief (Med.Irrgn.), Hyderabad and the Engineer-in-Chief, Telugu Ganga Project, Srikalahasti in the letters fourth and fifth read above, has furnished the report of the Committee for Rayalaseema Region held on 19-04-2008, wherein, the Committee negotiated with the Contractor.

5. Based on the report of the Conciliation Committee for Rayalaseema Region, the Principal Secretary to Government, I & CAD (ARB) Department has finally held conciliation with the contractor on 16-10-2008 and the contractor has agreed to reduce the net final conciliated amount to Rs.40,00,000/- inclusive of principal and interest in all as lumpsum and furnished an affidavit in this regard and also declared that he will withdraw all legal proceedings pending in the High Court of Andhra Pradesh or in any other courts.

6. After careful examination of the matter, Government hereby sanction the balance amount of Rs.40,00,000/- (Rupees forty lakhs only) payable to Sri V.Subbaiah Choudary, Special Class Contractor, Nellore towards full and final settlement in respect of the above work.

7. The above sanctioned amount shall be debited to the following Head of Account:

"4701- 01 - 112 - 11 - MH 26 - 531 Other Expenditure" from the budget provision

8. The Engineer-in-Chief , Telugu Ganga Project, Srikalahasti, Chittoor District, is directed to arrange to pay the amount sanctioned at para (6) above, to Sri V.Subbaiah Choudary, Special Contractor, Nellore duly deducting the amount that are recoverable on whatsoever account.

9. This order issues with the concurrence of Fin. (ExpW&P) Department vide their U.O.No.5218/F7(A2)/08-1, dated 23-12-2008.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

S.P.TUCKER,
PRINCIPAL SECRETARY TO GOVERNMENT.

To
The Engineer-in-Chief, Telugu Ganga Project, Srikalahasti, Chittoor District.
The Pay & Accounts Officer, Hyderabad.

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The Dy. Pay & Accounts Officer, Secretariat Buildings, Hyderabad.
Sri V.Subbaiah Choudary, Spl.Class Contractor, 27/52, Police Colony,
A.K.Nagar (PO), Nellore – 524 004.

Copy to:

The Engineer-in-Chief, Medium Irrigation, I&CAD, Hyderabad.

The I&CAD (P&B) Deptt.,

The Accountant General, Andhra Pradesh, Hyderabad.

The Fin.(Exp.PW) Dept (with a request to release LOC for
the sanctioned amount).

SF/SC.

// FORWARDED :: BY ORDER //

SECTION OFFICER.